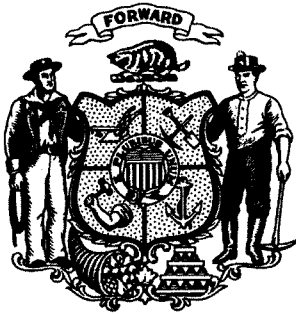


State of Wisconsin



2005 Assembly Bill 58

Date of enactment:
Date of publication*:

2005 WISCONSIN ACT

AN ACT to amend 121.91 (2m) (e) (intro.), 121.91 (2m) (r) 1. (intro.), 121.91 (2m) (r) 2. (intro.) and 121.91 (4) (f); and to create 38.17, 66.0602, 121.91 (2m) (f) and 121.91 (2m) (g) of the statutes; relating to: school district revenue limits and levy limits for cities, villages, towns, counties, and technical college districts.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 38.17 of the statutes is created to read:

38.17 Levy limit. (1) **DEFINITION.** In this section, "debt service" includes debt service on debt issued or reissued to fund or refund outstanding municipal obligations, interest on outstanding municipal obligations, and related issuance costs and redemption premiums.

(2) **LIMIT.** Except as provided in subs. (3) and (4), no district board may increase its levy for any fiscal year to an amount that exceeds its levy for the previous fiscal year multiplied by 1.026.

(3) **ADJUSTMENTS.** (a) 1. If a district board transfers to another governmental unit responsibility for providing any service that it provided in the preceding fiscal year, the limit otherwise applicable under sub. (2) in the current fiscal year is decreased by the cost that it would have incurred to provide that service, as determined by the department of revenue.

2. If a district board increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit that provided the service in the previous fiscal year, the limit otherwise applicable under sub. (2) in the current fiscal year is increased by the cost of that service, as determined by the department of revenue.

(b) 1. If the amount of debt service for a district board in the preceding fiscal year is less than the amount of debt service needed in the current fiscal year, as a result of the district board adopting a resolution before July 1, 2005, authorizing the issuance of debt, the limit otherwise applicable under sub. (2) for the current fiscal year is increased by the difference between the 2 amounts, as determined by the department of revenue.

2. The limit otherwise applicable under this section does not apply to amounts levied by a district board for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding municipal obligations, interest on outstanding municipal obligations, or the payment of related issuance costs or redemption premiums, authorized on or after July 1, 2005, by a referendum and secured by the full faith and credit of the district.

(4) **REFERENDUM.** (a) 1. A district board may exceed the levy limit under sub. (2) if it adopts a resolution to that effect and the resolution is approved in a referendum. The resolution shall specify the proposed amount of increase in the levy beyond the amount that is allowed under sub. (2), and shall also specify whether the proposed amount of increase is for the next fiscal year only or if it will apply on an ongoing basis.

2. Except as provided in subd. 3., the district board may call a special referendum for the purpose of submit-

* Section 991.11, WISCONSIN STATUTES 2003-04 : Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication as designated" by the secretary of state [the date of publication may not be more than 10 working days after the date of enactment].

ting the resolution to the electors of the district for approval or rejection.

3. A referendum to exceed the limit under sub. (2) for the levy for the 2006-07 fiscal year shall be held at the spring primary or election or September primary or general election in 2006.

(b) The district board shall publish type A, B, C, D, and E notices of the referendum under s. 10.01 (2). Section 5.01 (1) applies in the event of failure to comply with the notice requirements of this paragraph.

(c) The referendum shall be held in accordance with chs. 5 to 12. The district board shall provide the election officials with all necessary election supplies. The form of the ballot shall correspond substantially with the standard form for referendum ballots prescribed by the elections board under ss. 5.64 (2) and 7.08 (1) (a). The question shall be submitted as follows: "Under state law, the percentage increase in the levy of the (name of district) for the next fiscal year, (year), is limited to%, resulting in a levy of \$.... Shall the (name of district) be allowed to exceed this limit such that the percentage increase for the next fiscal year, (year), will be%, resulting in a levy of \$....?"

(d) Within 14 days after the referendum, the district board shall certify the results of the referendum to the department of revenue. The limit otherwise applicable to the district under sub. (2) is increased for the next fiscal year by the amount approved by a majority of those voting on the question. If the resolution specifies that the increase is for one year only, the amount of the increase shall be subtracted from the base used to calculate the limit for the 2nd succeeding fiscal year.

(5) SUNSET. This section does not apply beginning 3 years after the effective date of this subsection [revisor inserts date].

SECTION 2. 66.0602 of the statutes is created to read:

66.0602 Local levy limits. (1) DEFINITIONS. In this section:

(a) "Debt service" includes debt service on debt issued or reissued to fund or refund outstanding municipal or county obligations, interest on outstanding municipal or county obligations, and related issuance costs and redemption premiums.

(b) "Political subdivision" means a city, village, town, or county.

(c) "Valuation factor" means a percentage equal to the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current year, but not less than zero.

(2) LEVY LIMIT. Except as provided in subs. (3), (4), and (5), no political subdivision may increase its levy in any year by a percentage that exceeds the political subdivision's valuation factor. In determining its levy in any year, a city, village, or town shall subtract any tax incre-

ment that is calculated under s. 60.85 (1) (L) or 66.1105 (2) (i).

(3) EXCEPTIONS. (a) If a political subdivision transfers to another governmental unit responsibility for providing any service that the political subdivision provided in the preceding year, the levy increase limit otherwise applicable under this section to the political subdivision in the current year is decreased to reflect the cost that the political subdivision would have incurred to provide that service, as determined by the department of revenue.

(b) If a political subdivision increases the services that it provides by adding responsibility for providing a service transferred to it from another governmental unit that provided the service in the preceding year, the levy increase limit otherwise applicable under this section to the political subdivision in the current year is increased to reflect the cost of that service, as determined by the department of revenue.

(c) If a city or village annexes territory from a town, the city's or village's levy increase limit otherwise applicable under this section is increased in the current year by an amount equal to the town levy on the annexed territory in the preceding year and the levy increase limit otherwise applicable under this section in the current year for the town from which the territory is annexed is decreased by that same amount, as determined by the department of revenue.

(d) 1. If the amount of debt service for a political subdivision in the preceding year is less than the amount of debt service needed in the current year, as a result of the political subdivision adopting a resolution before July 1, 2005, authorizing the issuance of debt, the levy increase limit otherwise applicable under this section to the political subdivision in the current year is increased by the difference between these 2 amounts, as determined by the department of revenue.

2. The limit otherwise applicable under this section does not apply to amounts levied by a political subdivision for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision, interest on outstanding obligations of the political subdivision, or the payment of related issuance costs or redemption premiums, authorized on or after July 1, 2005, by a referendum and secured by the full faith and credit of the political subdivision.

(e) The limit otherwise applicable under this section does not apply to the amount that a county levies in that year for a county children with disabilities education board.

(f) The limit otherwise applicable under this section does not apply to the amount that a 1st class city levies for school purposes.

(4) REFERENDUM EXCEPTION. (a) A political subdivision may exceed the levy increase limit under sub. (2) if

its governing body adopts a resolution to that effect and if the resolution is approved in a referendum. The resolution shall specify the proposed amount of increase in the levy beyond the amount that is allowed under sub. (2), and shall specify whether the proposed amount of increase is for the next fiscal year only or if it will apply on an ongoing basis. With regard to a referendum relating to the 2005 or 2007 levy, the political subdivision may call a special referendum for the purpose of submitting the resolution to the electors of the political subdivision for approval or rejection. With regard to a referendum relating to the 2006 levy, the referendum shall be held at the next succeeding spring primary or election or September primary or general election.

(b) The clerk of the political subdivision shall publish type A, B, C, D, and E notices of the referendum under s. 10.01 (2). Section 5.01 (1) applies in the event of failure to comply with the notice requirements of this paragraph.

(c) The referendum shall be held in accordance with chs. 5 to 12. The political subdivision shall provide the election officials with all necessary election supplies. The form of the ballot shall correspond substantially with the standard form for referendum ballots prescribed by the elections board under ss. 5.64 (2) and 7.08 (1) (a). The question shall be submitted as follows: "Under state law, the increase in the levy of the (name of political subdivision) for the tax to be imposed for the next fiscal year, (year), is limited to%, which results in a levy of \$.... Shall the (name of political subdivision) be allowed to exceed this limit and increase the levy for the next fiscal year, (year), by a total of%, which results in a levy of \$....?"

(d) Within 14 days after the referendum, the clerk of the political subdivision shall certify the results of the referendum to the department of revenue. The levy increase limit otherwise applicable to the political subdivision under sub. (2) is increased in the next fiscal year by the percentage approved by a majority of those voting on the question. If the resolution specifies that the increase is for one year only, the amount of the increase shall be subtracted from the base used to calculate the limit for the 2nd succeeding fiscal year.

(5) EXCEPTION, CERTAIN TOWNS. A town with a population of less than 2,000 may exceed the levy increase limit otherwise applicable under this section to the town if the annual town meeting or a special town meeting adopts a resolution to that effect. The limit otherwise applicable to the town under sub. (2) is increased in the

next fiscal year by the percentage approved by a majority of those voting on the question. Within 14 days after the adoption of the resolution, the town clerk shall certify the results of the vote to the department of revenue.

(6) SUNSET. This section does not apply beginning 3 years after the effective date of this subsection [revisor inserts date].

SECTION 2m. 70.58 of the statutes is renumbered 70.58 (1) and amended to read:

70.58 (1) ~~There~~ Except as provided in sub. (2), there is levied an annual tax of two-tenths of one mill for each dollar of the assessed valuation of the property of the state as determined by the department of revenue under s. 70.57, for the purpose of acquiring, preserving and developing the forests of the state and for the purpose of forest crop law and county forest law administration and aid payments, for grants to forestry cooperatives under s. 36.56, and for the acquisition, purchase and development of forests described under s. 25.29 (7) (a) and (b), the proceeds of the tax to be paid into the conservation fund. The tax shall not be levied in any year in which general funds are appropriated for the purposes specified in this section, equal to or in excess of the amount which the tax would produce.

SECTION 2n. 70.58 (2) of the statutes is created to read:

70.58 (2) In each of 3 years beginning with the property tax assessments as of January 1 of the year of the effective date of this subsection [revisor inserts date], the department of revenue shall adjust the rate of the tax imposed under this section so that the percentage increase from the previous year in the total amount levied under this section does not exceed 2.6 percent. The rate determined by the department of revenue for the property tax assessment as of January 1 of the 2nd year following the effective date of this subsection [revisor inserts date], shall be the rate of the tax imposed under this section for all subsequent years.

SECTION 9m. Nonstatutory provisions; legislature.

(1) The joint committee on finance shall ensure that in the substitute amendments offered by the committee to the 2005-07 and 2007-09 executive budget bills, sufficient general school aid for the 2005-07 and 2007-09 fiscal biennia is appropriated, or the per pupil revenue limit amounts for the 2005-07 and 2007-09 fiscal biennia are reduced, or both, so that the estimated statewide school property tax levy in 2005, in 2006, and in 2007 is no greater than the statewide school property tax levy in 2004.

ASSEMBLY BILL 58 (LRB -0726)

An Act to amend 121.91 (2m) (e) (intro.), 121.91 (2m) (r) 1. (intro.), 121.91 (2m) (r) 2. (intro.) and 121.91 (4) (f); and to create 38.17, 66.0602, 121.91 (2m) (f) and 121.91 (2m) (g) of the statutes; relating to: school district revenue limits and levy limits for cities, villages, towns, counties, and technical college districts. (FE)

2005

02-10.	A.	Introduced by Representatives Honadel, Suder, Bies, Davis, J. Fitzgerald, Freese, Friske, Gard, Gunderson, Hines, Hundertmark, Huebsch, Jensen, Kaufert, Lamb, F. Lasee, LeMahieu, McCormick, Meyer, Montgomery, Moulton, Nass, Nerison, Nischke, Owens, Pettis, Stone, Strachota, Townsend, Van Roy, Vos, Vrakas, Vukmir, M. Williams, Wood, Gundrum, Kleefisch and Pridemore ; cosponsored by Senators Kanavas, S. Fitzgerald, Stepp, Kedzie, Leibham, Darling, Brown, Reynolds, Roessler, Zien, Lazich and A. Lasee .	
01-27.	A.	Read first time and referred to joint committee on Finance	48
01-27.	A.	Assembly substitute amendment 1 offered by Representative Honadel (LRB s0013)	46
02-01.	A.	Fiscal estimate received.	
02-01.	A.	Public hearing held.	
02-01.	A.	Executive action taken.	
02-01.	A.	Assembly amendment 1 to Assembly substitute amendment 1 offered by committee on Finance (LRB a0089)	59
02-01.	A.	Assembly amendment 2 to Assembly substitute amendment 1 offered by committee on Finance (LRB a0102)	59
02-08.	A.	Report Assembly Amendment 1 to Assembly Substitute Amendment 1 adoption recommended by joint committee on Finance, Ayes 12, Noes 4	65
02-08.	A.	Report Assembly Amendment 2 to Assembly Substitute Amendment 1 adoption recommended by joint committee on Finance, Ayes 12, Noes 4	65
02-08.	A.	Report Assembly Substitute Amendment 1 adoption recommended by joint committee on Finance, Ayes 12, Noes 4	65
02-08.	A.	Report passage as amended with emergency statement attached pursuant to s. 16.47 (2) Wisconsin Statutes recommended by joint committee on Finance, Ayes 12, Noes 4	65
02-08.	A.	Referred to committee on Rules	65
02-10.	A.	Placed on calendar 2-15-2005 by committee on Rules.	
02-15.	A.	Made a special order of business at 9:01 A.M. on 2-17-2005 pursuant to Assembly Resolution 7	75
02-17.	A.	Read a second time	82
02-17.	A.	Assembly amendment 1 to Assembly substitute amendment 1 adopted	82
02-17.	A.	Assembly amendment 2 to Assembly substitute amendment 1 laid on table	82
02-17.	A.	Assembly amendment 3 to Assembly substitute amendment 1 offered by Representatives Honadel and Gard (LRB a0199)	82
02-17.	A.	Assembly amendment 3 to Assembly substitute amendment 1 adopted	82
02-17.	A.	Assembly substitute amendment 1 adopted	82
02-17.	A.	Ordered to a third reading	82
02-17.	A.	Rules suspended	82
02-17.	A.	Read a third time and passed , Ayes 58, Noes 37, Paired 2	82
02-17.	A.	Ordered immediately messaged	83
02-17.	S.	Received from Assembly.	
02-17.	S.	Read first time and referred to committee on Senate Organization.	
02-17.	S.	Available for scheduling.	
02-17.	S.	Placed on calendar 2-22-2005 by committee on Senate Organization.	
02-22.	S.	Read a second time.	
02-22.	S.	Senate amendment 1 offered by Senators Decker, Wirsch, Erpenbach, Lassa, Carpenter, Breske, Jauch, Robson, Plale, Hansen and Taylor (LRB a0221).	
02-22.	S.	Senate amendment 1 laid on table, Ayes 19, Noes 14.	
02-22.	S.	Ordered to a third reading.	
02-22.	S.	Rules suspended.	
02-22.	S.	Read a third time and concurred in , Ayes 20, Noes 13.	
02-22.	S.	Ordered immediately messaged.	

**2005
ENROLLED BILL**

05en AB-58

ADOPTED DOCUMENTS:

Orig Engr

A SubAmdt 1

05 5001312

Amendments to above (if none, write "NONE"):

AA1, AA3

Corrections - show date (if none, write "NONE"):

none

Topic

relays

Feb 22, 2005

Date

[Signature]

Enrolling Drafter

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**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 58**

January 27, 2005 - Offered by Representative HONADEL.

1 **AN ACT to amend** 121.91 (2m) (e) (intro.), 121.91 (2m) (r) 1. (intro.), 121.91 (2m)
2 (r) 2. (intro.) and 121.91 (4) (f); and **to create** 38.17, 66.0602, 121.91 (2m) (f) and
3 121.91 (2m) (g) of the statutes; **relating to:** school district revenue limits and
4 levy limits for cities, villages, towns, counties, and technical college districts.

Analysis by the Legislative Reference Bureau

This substitute amendment creates local levy limits that apply to cities, villages, towns, counties (political subdivisions), and technical college districts. Generally, the substitute amendment prohibits a political subdivision from increasing its levy by a percentage that exceeds the percentage change in the political subdivision's equalized value due to new construction, less improvements removed. In addition, the calculation of a city's, village's, or town's levy does not include any tax increment that is generated by a tax incremental district. With regard to technical college districts, the levy limit is the levy for the previous year multiplied by 1.026. The substitute amendment contains exceptions to the levy limit for political subdivisions that transfer the provision of services, for cities or villages that annex town territory, and for a county levy that relates to a county Children with Disabilities Education Board. The levy limit may also be exceeded if a political subdivision's or technical college district's resolution to do so is approved in a referendum. A town with a population of less than 2,000 may exceed the levy limit

if a resolution to do so is approved by an annual or special town meeting. The levy limits do not apply beginning three years after the effective date of the substitute amendment.

Under the substitute amendment, a technical college district's or political subdivision's levy limit is increased if the amount of debt service in the current year exceeds the amount in the prior year for debt that was approved by the governing body before July 1, 2005. This substitute amendment exempts from the limit all funds needed to pay debt service on debt authorized by resolution or referendum before July 1, 2005, and on debt authorized by referendum on or after July 1, 2005.

Also under this substitute amendment, the limit otherwise applicable does not apply to the amount that a 1st class city (presently only Milwaukee) levies for school purposes. Currently, a 1st class city school district is not authorized to levy a tax; the city in which the school district is located levies a tax for school purposes at the direction of the school board.

This substitute amendment sets the per pupil adjustment under school district revenue limits at \$210 in the 2005–06 school year and at \$200 in each subsequent school year. Under current law, the per pupil adjustment is approximately \$241 in the 2004–05 school year and is adjusted for inflation in subsequent school years.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 38.17 of the statutes is created to read:

2 **38.17 Levy limit. (1) DEFINITION.** In this section, “debt service” includes debt
3 service on debt issued or reissued to fund or refund outstanding municipal
4 obligations, interest on outstanding municipal obligations, and related issuance
5 costs and redemption premiums.

6 **(2) LIMIT.** Except as provided in subs. (3) and (4), no district board may increase
7 its levy for any fiscal year to an amount that exceeds its levy for the previous fiscal
8 year multiplied by 1.026.

9 **(3) ADJUSTMENTS. (a) 1.** If a district board transfers to another governmental
10 unit responsibility for providing any service that it provided in the preceding fiscal
11 year, the limit otherwise applicable under sub. (2) in the current fiscal year is

1 decreased by the cost that it would have incurred to provide that service, as
2 determined by the department of revenue.

3 2. If a district board increases the services that it provides by adding
4 responsibility for providing a service transferred to it from another governmental
5 unit that provided the service in the previous fiscal year, the limit otherwise
6 applicable under sub. (2) in the current fiscal year is increased by the cost of that
7 service, as determined by the department of revenue.

8 (b) 1. If the amount of debt service for a district board in the preceding fiscal
9 year is less than the amount of debt service needed in the current fiscal year, as a
10 result of the district board adopting a resolution before July 1, 2005, authorizing the
11 issuance of debt, the limit otherwise applicable under sub. (2) for the current fiscal
12 year is increased by the difference between the 2 amounts, as determined by the
13 department of revenue.

14 2. The limit otherwise applicable under this section does not apply to amounts
15 levied by a district board for the payment of any general obligation debt service,
16 including debt service on debt issued or reissued to fund or refund outstanding
17 municipal obligations, interest on outstanding municipal obligations, or the
18 payment of related issuance costs or redemption premiums, authorized on or after
19 July 1, 2005, by a referendum and secured by the full faith and credit of the district.

20 (4) REFERENDUM. (a) 1. A district board may exceed the levy limit under sub.
21 (2) if it adopts a resolution to that effect and the resolution is approved in a
22 referendum. The resolution shall specify the proposed amount of increase in the levy
23 beyond the amount that is allowed under sub. (2), and shall also specify whether the
24 proposed amount of increase is for the next fiscal year only or if it will apply on an
25 ongoing basis.

1 2. Except as provided in subd. 3., the district board may call a special
2 referendum for the purpose of submitting the resolution to the electors of the district
3 for approval or rejection.

4 3. A referendum to exceed the limit under sub. (2) for the levy for the 2006–07
5 fiscal year shall be held at the spring primary or election or September primary or
6 general election in 2006.

7 (b) The district board shall publish type A, B, C, D, and E notices of the
8 referendum under s. 10.01 (2). Section 5.01 (1) applies in the event of failure to
9 comply with the notice requirements of this paragraph.

10 (c) The referendum shall be held in accordance with chs. 5 to 12. The district
11 board shall provide the election officials with all necessary election supplies. The
12 form of the ballot shall correspond substantially with the standard form for
13 referendum ballots prescribed by the elections board under ss. 5.64 (2) and 7.08 (1)

14 (a). The question shall be submitted as follows: “Under state law, the percentage
15 increase in the levy of the (name of district) for the next fiscal year, (year), is
16 limited to%, resulting in a levy of \$..... Shall the (name of district) be allowed
17 to exceed this limit such that the percentage increase for the next fiscal year,
18 (year), will be%, resulting in a levy of \$....?”.

19 (d) Within 14 days after the referendum, the district board shall certify the
20 results of the referendum to the department of revenue. The limit otherwise
21 applicable to the district under sub. (2) is increased for the next fiscal year by the
22 amount approved by a majority of those voting on the question. If the resolution
23 specifies that the increase is for one year only, the amount of the increase shall be
24 subtracted from the base used to calculate the limit for the 2nd succeeding fiscal year.

1 **(5) SUNSET.** This section does not apply beginning 3 years after the effective
2 date of this subsection [revisor inserts date].

3 **SECTION 2.** 66.0602 of the statutes is created to read:

4 **66.0602 Local levy limits. (1) DEFINITIONS.** In this section:

5 (a) “Debt service” includes debt service on debt issued or reissued to fund or
6 refund outstanding municipal or county obligations, interest on outstanding
7 municipal or county obligations, and related issuance costs and redemption
8 premiums.

9 (b) “Political subdivision” means a city, village, town, or county.

10 (c) “Valuation factor” means a percentage equal to the percentage change in the
11 political subdivision’s January 1 equalized value due to new construction less
12 improvements removed between the previous year and the current year, but not less
13 than zero.

14 **(2) LEVY LIMIT.** Except as provided in subs. (3), (4), and (5), no political
15 subdivision may increase its levy in any year by a percentage that exceeds the
16 political subdivision’s valuation factor. In determining its levy in any year, a city,
17 village, or town shall subtract any tax increment that is calculated under s. 60.85 (1)
18 (L) or 66.1105 (2) (i).

19 **(3) EXCEPTIONS.** (a) If a political subdivision transfers to another governmental
20 unit responsibility for providing any service that the political subdivision provided
21 in the preceding year, the levy increase limit otherwise applicable under this section
22 to the political subdivision in the current year is decreased to reflect the cost that the
23 political subdivision would have incurred to provide that service, as determined by
24 the department of revenue.

1 (b) If a political subdivision increases the services that it provides by adding
2 responsibility for providing a service transferred to it from another governmental
3 unit that provided the service in the preceding year, the levy increase limit otherwise
4 applicable under this section to the political subdivision in the current year is
5 increased to reflect the cost of that service, as determined by the department of
6 revenue.

7 (c) If a city or village annexes territory from a town, the city's or village's levy
8 increase limit otherwise applicable under this section is increased in the current year
9 by an amount equal to the town levy on the annexed territory in the preceding year
10 and the levy increase limit otherwise applicable under this section in the current
11 year for the town from which the territory is annexed is decreased by that same
12 amount, as determined by the department of revenue.

13 (d) 1. If the amount of debt service for a political subdivision in the preceding
14 year is less than the amount of debt service needed in the current year, as a result
15 of the political subdivision adopting a resolution before July 1, 2005, authorizing the
16 issuance of debt, the levy increase limit otherwise applicable under this section to the
17 political subdivision in the current year is increased by the difference between these
18 2 amounts, as determined by the department of revenue.

19 2. The limit otherwise applicable under this section does not apply to amounts
20 levied by a political subdivision for the payment of any general obligation debt
21 service, including debt service on debt issued or reissued to fund or refund
22 outstanding obligations of the political subdivision, interest on outstanding
23 obligations of the political subdivision, or the payment of related issuance costs or
24 redemption premiums, authorized on or after July 1, 2005, by a referendum and
25 secured by the full faith and credit of the political subdivision.

1 (e) The limit otherwise applicable under this section does not apply to the
2 amount that a county levies in that year for a county children with disabilities
3 education board.

4 (f) The limit otherwise applicable under this section does not apply to the
5 amount that a 1st class city levies for school purposes.

6 **(4) REFERENDUM EXCEPTION.** (a) A political subdivision may exceed the levy
7 increase limit under sub. (2) if its governing body adopts a resolution to that effect
8 and if the resolution is approved in a referendum. The resolution shall specify the
9 proposed amount of increase in the levy beyond the amount that is allowed under
10 sub. (2), and shall specify whether the proposed amount of increase is for the next
11 fiscal year only or if it will apply on an ongoing basis. With regard to a referendum
12 relating to the 2005 or 2007 levy, the political subdivision may call a special
13 referendum for the purpose of submitting the resolution to the electors of the political
14 subdivision for approval or rejection. With regard to a referendum relating to the
15 2006 levy, the referendum shall be held at the next succeeding spring primary or
16 election or September primary or general election.

17 (b) The clerk of the political subdivision shall publish type A, B, C, D, and E
18 notices of the referendum under s. 10.01 (2). Section 5.01 (1) applies in the event of
19 failure to comply with the notice requirements of this paragraph.

20 (c) The referendum shall be held in accordance with chs. 5 to 12. The political
21 subdivision shall provide the election officials with all necessary election supplies.
22 The form of the ballot shall correspond substantially with the standard form for
23 referendum ballots prescribed by the elections board under ss. 5.64 (2) and 7.08 (1)

24 (a). The question shall be submitted as follows: “Under state law, the increase in the
25 levy of the (name of political subdivision) for the tax to be imposed for the next

1 fiscal year, (year), is limited to%, which results in a levy of \$.... Shall the
2 (name of political subdivision) be allowed to exceed this limit and increase the levy
3 for the next fiscal year, (year), by a total of%, which results in a levy of \$....?”.

4 (d) Within 14 days after the referendum, the clerk of the political subdivision
5 shall certify the results of the referendum to the department of revenue. The levy
6 increase limit otherwise applicable to the political subdivision under sub. (2) is
7 increased in the next fiscal year by the percentage approved by a majority of those
8 voting on the question. If the resolution specifies that the increase is for one year
9 only, the amount of the increase shall be subtracted from the base used to calculate
10 the limit for the 2nd succeeding fiscal year.

11 (5) EXCEPTION, CERTAIN TOWNS. A town with a population of less than 2,000 may
12 exceed the levy increase limit otherwise applicable under this section to the town if
13 the annual town meeting or a special town meeting adopts a resolution to that effect.
14 The limit otherwise applicable to the town under sub. (2) is increased in the next
15 fiscal year by the percentage approved by a majority of those voting on the question.
16 Within 14 days after the adoption of the resolution, the town clerk shall certify the
17 results of the vote to the department of revenue.

18 (6) SUNSET. This section does not apply beginning 3 years after the effective
19 date of this subsection [revisor inserts date].

20 SECTION 3. 121.91 (2m) (e) (intro.) of the statutes is amended to read:
21 121.91 (2m) (e) (intro.) Except as provided in subs. (3) and (4), no school district
22 may increase its revenues for the 1999-2000, 2000-01, 2001-02, 2002-03, 2003-04,
23 or 2004-05 school year or for any school year thereafter to an amount that exceeds
24 the amount calculated as follows:

25 SECTION 4. 121.91 (2m) (f) of the statutes is created to read:

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1 121.91 (2m) (f) Except as provided in subs. (3) and (4), no school district may
2 increase its revenues for the 2005-06 school year to an amount that exceeds the
3 amount calculated as follows:

4 1. Divide the sum of the amount of state aid received in the previous school year
5 and property taxes levied for the previous school year, excluding property taxes
6 levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
7 (c), by the average of the number of pupils enrolled in the 3 previous school years.

8 2. Add \$210 to the result under subd. 1.

9 3. Multiply the result under subd. 2. by the average of the number of pupils
10 enrolled in the current and the 2 preceding school years.

11 **SECTION 5.** 121.91 (2m) (g) of the statutes is created to read:

12 121.91 (2m) (g) Except as provided in subs. (3) and (4), no school district may
13 increase its revenues for the 2006-07 school year or for any school year thereafter
14 to an amount that exceeds the amount calculated as follows:

15 1. Divide the sum of the amount of state aid received in the previous school year
16 and property taxes levied for the previous school year, excluding property taxes
17 levied for the purpose of s. 120.13 (19) and excluding funds described under sub. (4)
18 (c), by the average of the number of pupils enrolled in the 3 previous school years.

19 2. Add \$200 to the result under subd. 1.

20 3. Multiply the result under subd. 2. by the average of the number of pupils
21 enrolled in the current and the 2 preceding school years.

22 **SECTION 6.** 121.91 (2m) (r) 1. (intro.) of the statutes is amended to read:

23 121.91 (2m) (r) 1. (intro.) Notwithstanding pars. (c), ~~(d) and (e)~~ (g), if a school
24 district is created under s. 117.105, its revenue limit under this section for the school

1 year beginning with the effective date of the reorganization shall be determined as
2 follows except as provided under subs. (3) and (4):

3 **SECTION 7.** 121.91 (2m) (r) 2. (intro.) of the statutes is amended to read:

4 121.91 (2m) (r) 2. (intro.) If a school district is created under s. 117.105, the
5 following adjustments to the calculations under pars. (c), ~~(d)~~ and ~~(e)~~ to (g) apply for
6 the 2 school years beginning on the July 1 following the effective date of the
7 reorganization:

8 **SECTION 8.** 121.91 (4) (f) of the statutes is amended to read:

9 121.91 (4) (f) 1. For the 1999-2000 school year or any school year thereafter,
10 if the average of the number of pupils enrolled in the current and the 2 preceding
11 school years is less than the average of the number of pupils enrolled in the 3 previous
12 school years, the limit otherwise applicable under sub. (2m) ~~(e)~~ (f) or (g) is increased
13 by the additional amount that would have been calculated had the decline in average
14 enrollment been ~~25%~~ 25 percent of what it was.

15 2. Any additional revenue received by a school district as a result of subd. 1.
16 shall not be included in the base for determining the school district's limit under sub.
17 (2m) ~~(e)~~ (f) or (g) for the following school year.

18

 (END)

**ASSEMBLY AMENDMENT 1,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 58**

February 1, 2005 - Offered by JOINT COMMITTEE ON FINANCE.

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 8, line 19: after that line insert:

3 **SECTION 2m.** 70.58 of the statutes is renumbered 70.58 (1) and amended to
4 read:

5 70.58 (1) ~~There~~ Except as provided in sub. (2), there is levied an annual tax of
6 two-tenths of one mill for each dollar of the assessed valuation of the property of the
7 state as determined by the department of revenue under s. 70.57, for the purpose of
8 acquiring, preserving and developing the forests of the state and for the purpose of
9 forest crop law and county forest law administration and aid payments, for grants
10 to forestry cooperatives under s. 36.56, and for the acquisition, purchase and
11 development of forests described under s. 25.29 (7) (a) and (b), the proceeds of the tax
12 to be paid into the conservation fund. The tax shall not be levied in any year in which

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1 general funds are appropriated for the purposes specified in this section, equal to or
2 in excess of the amount which the tax would produce.

3 **SECTION 2n.** 70.58 (2) of the statutes is created to read:

4 70.58 (2) In each of 3 years beginning with the property tax assessments as of
5 January 1 of the year of the effective date of this subsection [revisor inserts date],
6 the department of revenue shall adjust the rate of the tax imposed under this section
7 so that the percentage increase from the previous year in the total amount levied
8 under this section does not exceed 2.6 percent. The rate determined by the
9 department of revenue for the property tax assessment as of January 1 of the 2nd
10 year following the effective date of this subsection [revisor inserts date], shall be
11 the rate of the tax imposed under this section for all subsequent years."

12 (END)

**ASSEMBLY AMENDMENT 3,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 58**

February 17, 2005 - Offered by Representatives HONADEL and GARD.

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 8, line 20: delete the material beginning with that line and ending with
3 page 10, line 17, and substitute:

4 ~~SECTION 9m. Nonstatutory provisions; legislature.~~

5 (1) The joint committee on finance shall ensure that in the substitute
6 amendments offered by the committee to the 2005-07 and 2007-09 executive budget
7 bills, sufficient general school aid for the 2005-07 and 2007-09 fiscal biennia is
8 appropriated, or the per pupil revenue limit amounts for the 2005-07 and 2007-09
9 fiscal biennia are reduced, or both, so that the estimated statewide school property
10 tax levy in 2005, in 2006, and in 2007 is no greater than the statewide school property
11 tax levy in 2004.

12

(END)